

115TH CONGRESS
1ST SESSION

H. R. 3022

To prohibit the awarding of discretionary grants to institutions of higher education that will use the grant award for indirect costs.

IN THE HOUSE OF REPRESENTATIVES

JUNE 22, 2017

Mr. RUSSELL introduced the following bill; which was referred to the Committee on Oversight and Government Reform

A BILL

To prohibit the awarding of discretionary grants to institutions of higher education that will use the grant award for indirect costs.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. LIMITING INDIRECT COSTS.**

4 (a) IN GENERAL.—Notwithstanding any other provi-
5 sion of law, the head of an agency may not distribute any
6 grant to an institution of higher education under a com-
7 petitive discretionary grant program if any part of the
8 grant is used for indirect costs.

9 (b) DEFINITIONS.—In this section:

1 (1) ADMINISTRATION COSTS.—The term “ad-
2 ministration costs” means general administration
3 and general expenses, such as the salaries and ex-
4 penses of executive officers, personnel administra-
5 tion, and accounting.

6 (2) AGENCY.—The term “agency” has the
7 meaning given that term in section 551 of title 5,
8 United States Code.

9 (3) INDIRECT COSTS.—The term “indirect
10 costs” means with respect to a grant, the facilities
11 costs, administration costs, and other costs incurred
12 for a common or joint purpose not readily assignable
13 to the grant objectives.

14 (4) INSTITUTION OF HIGHER EDUCATION.—The
15 term “institution of higher education” has the
16 meaning given the term in section 102 of the Higher
17 Education Act of 1965 (20 U.S.C. 1002).

18 (5) FACILITIES COSTS.—The term “facilities
19 costs” means depreciation and use allowances on
20 buildings, equipment and capital improvement, inter-
21 est on debt associated with certain buildings, equip-
22 ment and capital improvements, and operations and
23 maintenance expenses.

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